IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY APPLICATION No. 242 of 2007

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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SAURASHTRA CEMENT LIMITED - Applicant(s)
Versus
. - Respondent(s)

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Appearance :

MRS KALPANA K RAVAL for Applicant(s) : 1,
None for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH

Date : 11/05/2007

ORAL JUDGMENT

1. Present Judge's Summons has been taken out by the applicant company – Saurashtra Cement Limited for an appropriate order of calling and

reconvening the adjourned meeting of the scheme lenders of the applicant company for the purpose of considering and if thought fit approving with or without modification the arrangement embodied in the scheme of arrangement and compromise between the applicant company and its scheme lenders.

2. Mrs. Raval, learned advocate appearing for the applicant company has submitted that as such apropos the order passed by this Court dated 1.2.2007 passed in Company Application No. 31 of 2007, the meeting of the scheme lenders of the applicant company for the purpose of considering and if thought fit approving with or without modification the arrangement embodied in the scheme of arrangement and compromise between the applicant company and its scheme lenders was convened on 6th March, 2007, however, in view of certain clarifications sought by the secured creditors, the meeting is required to be adjourned and therefore, fresh meeting is required to be convened hence, the present

application is filed.

3. Accordingly, upon the application of the abovenamed company by summons dated 10th May, 2007 and upon hearing Mrs. Raval, learned advocate appearing for the applicant company and upon reading of the affidavit dated 10.5.2007 filed in support of the Judge's Summons for directions and other relevant annexures attached in support of the contents of the affidavit filed by the deponent, it is ordered;

4. That the meeting of the scheme lenders of the applicant company be reconvened and reheld at the Registered Office of the applicant company i.e. at Ranavav – 360 560 on 29th June, 2007 at 11.30 A.M. for the purpose of considering and if thought fit, approving with or without modifications, the proposed scheme of compromise and arrangement between the applicant company and its scheme lenders.

5. That at least 21 clear days before the meeting be reheld as aforesaid, Notice reconvening the

said meeting, indicating the delay, the date, the place and the time as aforesaid, together with a copy of the scheme of arrangement, copy of the explanatory statement required to be sent under Section 393 of the Companies Act; 1956 and the prescribed form of proxy shall be sent by a pre-paid letter posted Under Certificate of Posting, addressed to each of the scheme lenders of the applicant company at their last known address.

6. That at least 21 clear days before the meeting to be reheld as aforesaid, Notice reconvening the said meeting indicating the day, the date and the place and time as aforesaid be published, stating that copies of the scheme of arrangement, the explanatory statement required to be furnished pursuant to Section 393 of the Companies Act; 1956 and form of proxy can be obtained free of charge at the Registered Office of the applicant company and/or at its advocate – Mrs. Kalpana K. Raval, 21-23, Laxmi Chambers, Navjivan Press Road, Near Old High Court, Railway Crossing, Ahmedabad – 380 014, once each in 'Indian Express', English daily and

'Sandesh', Gujarati daily both in Ahmedabad editions. Publication in the Government Gazette is dispensed with.

7. Mr. Jay Mehta, Vice-Chairman of the applicant company, failing him, Mr. M.H.Gilhotra, Managing Director of the applicant company shall be the Chairman of the aforesaid meeting to be reheld on 29th June, 2007 and in respect of any adjournment or adjournments thereof.

8. That the Chairman appointed for the aforesaid meeting do issue advertisements and send out notices of the said meeting referred to above. It is further directed, that the Chairman of the meeting shall have all powers under the Articles of Association of the applicant company and under the Companies (Court) Rules; 1959 in relation to conduct of meeting including an amendment to the scheme of resolution, if any, proposed at the meeting by any person(s) and to ascertain the decision of the meeting on a poll.

9. That the Chairman do report to this Court, the result of the said meetings within 14 days of

the conclusion of the meeting and the said report shall be verified by his affidavit.

10.It appears that the applicant company is before the BIFR and therefore, the present order is without prejudice to and affecting the proceedings before the BIFR. It is also made clear that this Court has not expressed any opinion on the merits as to whether pending the proceedings before the BIFR, the proposed scheme of arrangement and compromise between the applicant company and its scheme lenders is maintainable before this Court or not.

11.This application is hereby disposed of.

[M.R.Shah, J.]

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